



# WISCONSIN REGULATORY DIGEST

A Publication of the  
REAL ESTATE APPRAISERS BOARD

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## National Registry To Go On-line

Under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), states are required to transmit annually: 1) a roster of individuals who have received a state certification or license to perform appraisals and 2) the appropriate registry fee to the Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council. Based upon information obtained from the states, the ASC created a National Registry (Registry) which contains the names, addresses, disciplinary action information and other data for all state-certified and state-licensed appraisers. Only appraisers on the Registry may perform appraisals in connection with federally-related transactions.

Recently the ASC gave final approval to the National Registry of Real Estate Appraisers Redesign Project, which includes making modifications to the Registry database and making the Registry available via the Internet. The ASC website will provide free access to the public portion of the Registry. Access to the full database will be restricted to authorized state and federal regulatory agencies.

## THE WISCONSIN REAL ESTATE APPRAISERS BOARD

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## PRACTICE: ISSUES

### RENEWAL TIME

All credential holders will be renewing by **January 1, 1998**. Each appraiser must complete 20 hours of continuing education (CE) before this date, regardless of when the credential was issued (**NO EXCEPTIONS**). Credential holders are responsible for securing and retaining verification (proof) of having completed 20 CE hours. You must keep the records for a period of five (5) years. **DO NOT SUBMIT RECORDS TO THE DEPARTMENT** unless they are requested during a compliance audit. Because courses change constantly, we are unable to provide printed lists. Please contact the course provider concerning approved courses as well as the dates and location of the courses. **NOTE: 1997 REAL ESTATE CE COURSE 3, entitled "NEW DEVELOPMENTS" has been approved for real estate appraisers for 3 credit hours.**

### RENEWAL FEES:

<i>Licensed Appraiser:</i>	<b>\$122.00</b>
<i>Certified Residential:</i>	<b>\$151.00</b>
<i>Certified General:</i>	<b>\$145.00</b>
Fees include a \$50.00 Federal Registry Fee.	
Late Fee:	<b>\$25.00</b>

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## STATUTE/ADMINISTRATIVE CODE CHANGES

**Proposed CE Changes** - Under the current law, every 4th renewal (every 8 years) each credential holder must submit evidence of completion of 15 hours of instruction in the professional standards and code of ethics applicable to appraisers and pass an examination to test his or her knowledge of such standards. The 15 hours of instruction must be completed within the 2 year period immediately preceding the date on which the renewal application is submitted. **NOTE: THE STANDARDS COURSE IS NOT REQUIRED FOR THIS RENEWAL PERIOD.**

The Department is in the process of eliminating the requirement that credential holders complete the 15 hours of instruction every 4th renewal. Instead, the law will provide that at least 4 of the total number of continuing education hours which a credential holder must complete during a biennial renewal period shall include instruction in the professional standards and code of ethics. This change will allow credential holders to complete the coursework on an on-going basis rather than in conjunction with an 8 year renewal cycle. The revised law will also eliminate the requirement that credential holders complete an examination in conjunction with the 15 hours of instruction. **Under the proposed law, credential holders will be required to report completion of 4 hours of instruction in the professional standards and code of ethics at the time of each renewal period, commencing with the January 1, 2000 renewal date. The proposed law will become effective in February or March of 1998.**

## APPRAISAL FOUNDATION INFORMATION

### Standard 2-2 Revisions Now In Effect

As of August 1, 1995 appraisers must identify the type of appraisal product being produced. The chart describes the six types of appraisal products. For more information on comparison report types, see USPAP Standard 2-2.

Six Types Of Appraisal Products	
DEVELOPMENT PROCESS	REPORT TYPE
Complete Appraisal	Self-Contained
	Summary
	Restricted
Limited Appraisal	Self-contained
	Summary
	Restricted

**Note:** The appraisal development process and the reporting process can be combined six different ways. Complete Appraisals or Limited Appraisals can be reported in any of the three report types.

## Appraiser Qualifications Board

The Appraiser Qualifications Board (AQB) is composed of five appraisers who are appointed for 3-year terms by the Board of Trustees of The Appraisal Foundation. Members of the AQB may serve two consecutive 3-year terms. Activities of the Board are directed by a Chair and Vice-Chair, appointed to 1-year renewable terms. The members of the 1998 AQB are: Scott Williams-Chair; Arlen Mills-Vice Chair; Charles Moore, Anthony Reynolds and Stephen Williams. The AQB establishes the minimum education, experience and examination requirements for real estate appraisers. Title XI of FIRREA gives the AQB broad authority regarding the minimum qualifications necessary for an individual to obtain a state certification as an appraiser.

States are required to implement appraiser certification requirements that are no less stringent than those issued by the AQB in the Appraiser Qualification Criteria. The AQB has issued criteria for the following classifications: Certified General, Certified Residential, Licensed and Trainee. Each classification has education, experience, examination and continuing education requirements. Copies of the Appraiser Qualification Criteria and Interpretations/Clarifications may be obtained from The Appraisal Foundation. In 1992, the Office of Management and Budget (OMB) issued Bulletin 92-06 regarding the use of real estate appraisals by the 17 federal agencies under OMB jurisdiction. The bulletin cites the AQB Criteria as the level of training that agencies should strive to provide to their appraisers.

### New "AQB" Requirements

Revisions to the appraiser qualification criteria adopted by the "AQB" require that Chapter 458, be amended in order to comply with federal law. Because of frequent changes at the federal level, the Department of Regulation and Licensing is proposing that education and experience requirements be enumerated in administrative rules, rather than in the statutes, so that new requirements can be implemented on a more timely basis.

SUMMARY OF AQB REQUIREMENTS			
Category	Required Hours		
	Education	Experience	CE
Licensed	Current: 75	2,000 <sup>1</sup>	20
	Revised: 90 <sup>1</sup>	No Change <sup>2</sup>	28
Residential	Current: 120	2,000	20
	Revised: No change	2,500 <sup>3</sup>	28
General	Current: 165	2,000	20
	Revised: 180 <sup>1</sup>	3,000 <sup>4</sup>	28

1. Hours include 15 hours relating to USPAP
2. Wisconsin requires only 500 hours.
3. Hours must be completed in not less than 24 months.
4. Hours must be completed in not less than 30 months

**THESE REQUIREMENTS WILL BECOME EFFECTIVE IN WISCONSIN IN FEBRUARY OR MARCH OF 1998.** Those submitting their applications for licensure prior to January 1, 1998, must meet the requirements that are in place at the time of application. This time is set by filing an application with the Department and paying the appropriate fee.

### **The Appraisal Standards Board (ASB)**

The ASB develops, interprets and amends USPAP and is composed of five appraisers who are appointed for 3-year terms by the Board of Trustees of the Appraisal Foundation. Members of the ASB may serve **two** consecutive 3-year terms. Activities of the Board are directed by a Chair and Vice-Chair, who are appointed by the Board of Trustees for 1-year terms. The members of the 1998 ASB are: Tim Leberman-Chair; ~~Ken~~ Kaiser-Vice Chair; Stephanie Coleman; Yale Kramer and Laurie Van Court.

## **DISCIPLINARY ACTIONS**

### **Roger E. Blohm, Certified Residential Appraiser Beloit, WI Reprimand**

Reprimanded for violating Board Order. **On** January 17, 1996, the Board issued a Final Decision and Order adopting a Stipulation signed by Mr. Blohm. In the January 17, 1996, Board Order, while not admitting any **intentional** wrongdoing or violation relating to appraisal experience claimed for initial certification, Mr. Blohm agreed to complete 40 hours of residential appraisal education and 15 hours of USPAP-related education no later than September 1, 1996. Mr. Blohm failed to complete the educational coursework by September 1, 1996. The Board's reprimand is based upon a Stipulation signed by Mr. ~~Blohm~~ on August 18, 1997. Effective 9/24/97. \$250.00 costs.

### **C.J. Heise, Certified Residential Appraiser Lake Geneva, WI Reprimand**

Reprimanded for violating s. 458.26 (3) (c), **Stats.**; s. RL 86.01 (2), (6), (8) and RL 86.03 (1), Wis. Adm. Code, and USPAP (**Standards** 1 and 2 and the Ethics, Competency and Departure Provisions). Mr. Heise was also ordered to complete a 39-hour real estate appraisal course relating to commercial appraising, report writing and USPAP. The Board's action is based upon a Stipulation signed by Mr. Heise. Effective 7/16/97.

### **Gary M Kuehling, Certified General Appraiser Eagle River, WI Limited Certification**

The Board concluded that respondent violated s. 458.26 (3) (c), Wis. **Stats.**; s. RL 86.01 (2) and (6), Wis. Adm. Code and USPAP (Ethics, Competency and Departure provisions and Standards 1 and 2). In settlement of the matter, respondent agreed to cease and desist from performing commercial appraisals until he takes and successfully completes 15 hours of USPAP education and

at least 40 hours of commercial appraisal education which shall include appraisal report writing, capitalization and real property interests. \$300.00 costs. Effective 11/29/97.

### **Carolyn S Tesar, Certified General Appraiser Prairie Du Chien, WI Limited Certification**

The Board concluded that respondent violated s. 458.18 (1), and 458.26 (3) (a) and (c), Wis. **Stats.**; s. RL 86.01 (1), (2), (5), (6) and (8), Wis. Adm. Code, and USPAP (record keeping section of the Ethics provision; Competency and Departure provisions and **Standards** Rule 1-1 (a)-(c), 1- 4 (a) and (b), 2-1 (a)-(c), 2-2 and 2-3). In settlement of the matter, while not admitting the matters alleged, respondent agreed to cease and desist from performing commercial appraisals. The Board also ordered the respondent to complete 40 hours of USPAP education. \$500.00 forfeiture. Effective 11/29/97.

### **Ralph H Bauch, Certified Residential Appraiser Portage, WI Reprimand**

Reprimanded for violating s. 458.26 (3)(c), **Stats.**; RL 86.01 (1), (2) and (6), Wis. Adm. Code and USPAP (Competency provision and **Standards** Rule 3-1). The Board also ordered the respondent to complete 15 hours of USPAP education and at least 40 hours of general introductory appraisal education. \$600.00 costs. Effective 11/19/97.

### **Robert A Olszewski, Certified General Appraiser Mosinee, WI Education Required**

The Board concluded that respondent violated s. 458.26 (3) (b) and (c), Wis. **Stats.**, and USPAP (**Standards** Rule 1-1 (a) and (c), 1- 3 (a) and 2-1). In settlement of the matter, respondent agreed to successfully complete 30 hours of appraisal education relating to of highest and best use analyses or commercial related education. \$350.00 costs. Effective 11/19/97.

### **John R. Schroer, Certified General Appraiser Beloit, WI Limited Certification**

The Board concluded that respondent violated s. 458.26 (3)(c), Wis. **Stats.**; s. RL 86.01 (1), (2) and (6), Wis. Adm. Code, and USPAP (**Standards** Rule 1-1 (a) and (b), 1- 3 (b), 1-4 (a) and (b) and 2-1). In settlement of the matter, respondent agreed to cease and desist from performing commercial appraisals **until** after successfully completion of 15 hours of USPAP education and 40 hours of commercial appraisal education. \$450.00 costs. Effective 11/19/97.

### **Gordon E Svendsen, Certified Residential Appraiser Union Grove, WI Reprimand**

Reprimanded for violating s. 458.26 (3) (b) and (c), **Stats.**, and RL 86.01 (1), (2), (5) and (6), Wis. Adm. Code. The Board also ordered the respondent to complete 15 hours of USPAP education and 40 hours of substantive appraisal education. \$400.00 costs. Effective 11/19/97.

**VISIT THE DEPARTMENT'S WEB SITE AT**  
<http://badger.state.wi.us/agencies/drl/>  
Send comments to Ann Larson  
[@alarson1@mail.state.wi.us](mailto:@alarson1@mail.state.wi.us)

Department of Regulation and Licensing  
Real Estate Appraisers Board  
P.O. Box 8935  
Madison, WI 53708-8935

Return Service Requested

# REGULATORY DIGEST

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## STAFF New Telephone System

The Division of Business Licensure & Regulation has installed a new menu telephone system which is designed to more efficiently direct the caller to the appropriate board. It has had some "bugs" and we apologize for that; however, we will keep fine-tuning it so that you will receive good service. The new telephone number for licensing staff is:

**(608) 266-5511**

After dialing this number you are asked to press 1, 2, 3 or 4. For the following requests, please press numbers as noted:

Applications Processing	Ext. 42
Education	Ext. 21
Name/Address Changes	Ext. 21
Practice Questions	Ext. 31
Complaint Forms	Ext. 12

## 1998 USPAP AVAILABLE

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) requires real property appraisers to comply with USPAP. The 1998 edition contains useful information for all appraisers. To order, send \$25.00 to: **The Appraisal Foundation, 1029 Vermont Ave NW, Suite 900, Washington, DC 20005-3517; (202) 347-7722** or fax your credit card order to **(202) 347-7727**.

## CHANGE OF NAME OR ADDRESS?

Please photocopy the mailing label of this digest, make changes in name or address, and return it to the Department. **WIS. STATS. S. 440.11 ALLOWS FOR A \$50 PENALTY TO BE IMPOSED WHEN CHANGES ARE NOT REPORTED WITHIN 30 DAYS.**

## 1998 BOARD MEETING DATES

February 25; May 20; July 15;

September 30; November 18

All meetings are held at 1400 E. Washington Ave., Madison, WI and are open to the public.

## WISCONSIN AREA TEST INFORMATION

Location	Test Frequency
Elm Grove/Milw	Weekly. Tues. - Sat.
Madison	Every Saturday
Green Bay	2nd & 4th Sat. of the month*
Menomonee	2nd & 4th Sat. of the month*
Wausau	4th Saturday of the month*
Minneapolis, MN	Weekly. Tues. - Sat.
Duluth, MN	2nd & 4th Sat. of the month*
Rochester, MN	2nd & 4th Sat. of the month*
Marquette, MI	4th Saturday of the month*
Chicago, IL	Weekly. Tues. - Sat.

No testing on National Holidays or Holiday Weekends.

\*Testing in May and November will be on the 1st & 3rd Saturday of the month (on the 3rd Saturday at Marquette & Wausau Locations). Testing in December will be on the 2nd Saturday only.

**WISCONSIN STATUTES AND CODE** - Copies of the Wisconsin Statutes and Administrative Code can be ordered through the Board Office. Include your name, address, county and a check payable to the Department of Regulation and Licensing in the amount of \$5.28.

**FOUNDATION WEBSITE** - Log on at [www.appraisalfoundation.org](http://www.appraisalfoundation.org) to comment on exposure drafts; order publications and services; correspond with Foundation boards/staff and receive other association and state board information.